



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

July 17, 2008

Brian Keeley, Owner
Keeley Aerospace, Ltd.
1240 Railroad Street
Corona, Ca 92882

Dear Mr. Keeley:

RE: **Final MONITORING VISIT REPORT for Keeley Aerospace Retraining SB
ET07-0255**

| | |
|---|---|
| Date of the Visit: | 6/05/08 |
| Beginning/Ending Time: | 10:00am – 11:00am |
| Date of Last Visit: | 12/11/07 |
| Visit Location: | Via Teleconference – from SD ETP Office |
| Persons in attendance: | Bart Webb, Manager, Keeley Aerospace, Ltd. (Keeley); and Suzanne Godin, ETP Contract Specialist |
| Action Items remaining from Prior Meeting: | No |
| Action Required: | No |

CONTRACT INFORMATION:

| | | | |
|---|-------------------|-----------------------------|----------|
| Term of Agreement: | 12/18/06-12/17/08 | Agreement Amount: | \$15,600 |
| Training Start Date: | 1/05/07 | No. to Retain: | 10 |
| Date Training must be Completed: | 9/17/08 | Range of Hours: | 8-60 |
| Type of Trainee: | Retrainee | Weighted Ave. Hours: | 60 |

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SACRAMENTO, CA 95814
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5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
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www.etp.ca.gov
ETP (04/15/05)

FINAL REPORT SUMMARY:

AGREEMENT HISTORY

The agreement was approved at the December 2006 Panel Meeting and was executed on 2/07/07. Training began on 1/05/07. Mr. Webb reported that all training was completed on 2/08/07 which allowed for the 90-day retention period to be completed within the term ending date of the Agreement. ETP approved one amendment to the Keeley agreement which extended the term of the Agreement by twelve months.

INTERVIEW WITH THE CONTRACT REPRESENTATIVE: BART WEBB

Mr. Webb reported that the ETP-funded training had been a positive experience and that without the assistance of ETP, Keeley would not have been able to provide the amount of formal, structured training that it did. Keeley recently received its AS9100 Certification for the Aerospace Industry which was due, in part, to the continuous improvement skills training delivered during the ETP Agreement. The certification has enabled you to become part of a pool of internationally approved aerospace manufacturers with access to the international aerospace market. Mr. Webb also stated that when the ETP contract began, Keeley employed 10 full time workers. Your company began its second ETP training project this month and has grown to 38 full time employees.

Mr. Webb added that Interdepartmental communication has greatly improved; your employees have begun to function as a team; and have a better understanding of how the production flow works and how one individual's performance (or lack of) affects the rest of the company.

DISCUSSION OF PROJECTED EARNINGS:

Mr. Webb stated that the statistics on the class/lab tracking system were correct which shows that 12 trainees (120% of planned retentions) completed the specified range of class/lab hours (8-60) and retention period. Keeley tracked 634 eligible hours on the ETP class/lab tracking system for the aforementioned 17 trainees. Therefore, Keeley is eligible to earn \$15,600 (100 percent of the encumbered amount) if all other agreement conditions are met. As of the date of this report, Keeley had received \$15,600, all of which is shown as earned.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

| | | | |
|---|----|-----------------------------|----|
| Trainees Started Training: | 17 | Completed Training: | 12 |
| Trainees Enrolled: | 17 | Completed Retention: | 12 |
| Dropped Following Enrollment: | 3 | In Retention Period: | 0 |
| No. Completed Minimum Reimbursable Hours : | 12 | | |

TRAINING STATUS:

The statistical data submitted by you during this visit, as detailed above, agreed with the information contained on ETP's Trainee Status Report.

AUDIT:

You will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable.

Listed below are types of records typically requested during an ETP field audit:

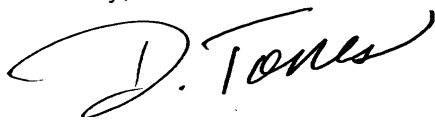
- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Suzanne Godin at (619) 686-1918 or at sgodin@etp.ca.gov within ten (10) working days from the receipt date of this letter.

Sincerely,



Diana Torres, Manager
San Diego Regional Office



Suzanne Godin, Contract Analyst
San Diego Field Office

cc: Amber Luiz, Assistant Director
Kulbir Mayall, Fiscal Manager
Master File
Project File